

# The Sugar Association, Inc.

1511 K Street, N. W. Washington, D. C. 20005

THE SUGAR ASSOCIATION, INC.

ANNUAL MEETING

OF THE BOARD OF DIRECTORS

CHICAGO, ILLINOIS

MAY 12, 1977

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J. W. Tatem, Jr.  
President

## INTERNATIONAL SUGAR RESEARCH FOUNDATION

I believe the time has come to discuss the merits of the Sugar Association's membership in ISRF.

As we all know, ISRF was born out of the Sugar Research Foundation in order, as was expressed at the time, to better serve the international sugar industry. From its inception there have been differences as to its method of operation and certainly the areas in which research money should be spent. At one time some of the Sugar Association members withdrew their support from ISRF. After a short hiatus, membership for all Sugar Association members was reestablished through a single membership--namely the Sugar Association. At the same time the rates of contribution were reduced, which allowed only for overhead costs --not research funding.

Research funding as it now stands is on a voluntary basis and allows for projects to be multi-sponsored through ISRF. In reality it does not work out this way. With minor exceptions, each country funds completely the projects in which they are interested.

In the Sugar Association's case, we fund only projects that are approved by our FNAC and Research Committee. In other words, our expertise, through the FNAC, is more than adequate for our needs and capabilities; and we want to fund and control those projects ourselves. We do not need other organizations involved in these endeavors.

Today, the only real and useful function of the ISRF is to provide an annual or semi-annual gathering for the international exchange of research findings and ideas.

Despite its efforts and format, ISRF has attracted only limited membership, while the major sugar nations, such as the EEC countries, have declined to join under the present setup. Australia (Colonial Sugar Co.), one of the original members, resigned some years ago. One would have to say that the effort to unite the sugar world for research has been a dismal failure. From the Sugar Association (U. S.) point of view, it has served no purpose other than as an opportunity of meeting with our peers. This seems little to receive for a yearly contribution of over \$100,000.

At the recent meeting of ISRF members and directors in Paris, the U. S. delegation suggested certain changes in the operation of ISRF to reduce the cost of membership, attract new members and become a useful tool in world sugar. A task force was named to study these recommendations--including moving the office to Europe--and has been asked to report its findings to the Board at the September meeting in Washington. I have the distinct feeling that the findings and recommendations will not be acceptable to us either from an operational or financial standpoint. If this is the case, I suggest that we be prepared for the September meeting with a firm stand on our participation in the future of ISRF.

Our position could take different approaches.

The first, would be to hold that ISRF has no future nor usefulness to U. S. interests and tender our resignation. If this decision is made, it would probably mean the demise of ISRF by the end of 1978 when our dues commitment would cease. Should this take place, we, the Sugar Association, could organize meetings of the world sugar industry each year to coincide with our FNAC March meeting. This would cost relatively little and would serve the purpose of a world-wide exchange of information.

It is quite possible that once commencing a program such as this, other countries, such as the EEC, Great Britain, South Africa and Australia, would take their turns in sponsoring such a symposium in succeeding years. This would be a very loose setup, but might be more effective than a formal one.

The second course that might be taken would be the insistence that ISRF be organized somewhat along the following lines:

First and foremost, the operation would have to be pared down to a very small staff, which would arrange one research symposium a year and in between keep members abreast of research progress

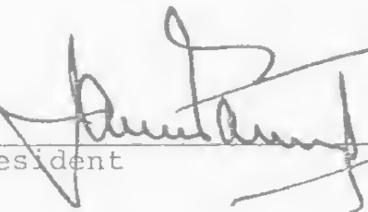
throughout the world. The site of the office could be moved, if necessary, to a more central and less expensive location than Bethesda.

The cost of such an organization, headed by an emeritus scientific person, should not exceed \$100,000 per year.

The new organization would not engage in sponsoring or carrying out research projects. Research proposals reaching ISRF would be circulated throughout the membership for their individual and collective consideration, which would not necessitate ISRF meetings.

Membership dues would have some relationship to member-country volume of sugar produced or sold, but no one entity would contribute more than \$10/15,000 per annum. At such rates, the ISRF could, and I believe would, be an attractive and useful organization and yet not be a financial burden to anyone.

The foregoing, states two alternatives to our present participation in ISRF. They are not written in stone, but from an intimate experience with the workings of ISRF over many years. I believe they present workable alternatives to the present unsatisfactory situation. To allow the present setup to continue is a waste of money, energy and time on the part of the U. S. sugar industry.



James D. Bunn  
President